**GOVERNMENT OF INDIA**
**TEXTILES**
**LOK SABHA**

STARRED QUESTION NO:448
ANSWERED ON:23.08.2001
HANDLOOM DEVELOPMENT SCHEME
NAWAL KISHORE RAI;SANGEETA KUMARI SINGH DEO

**Will the Minister of TEXTILES be pleased to state:**

(a) the details of each scheme implemented for the development of handloom sector/handloom weavers;

(b) the number of proposals received from various State Governments under each scheme and the funds allocated and released thereunder during 2000-01 and 2001-02, State-wise;

(c) the amount utilised by each State Government on such schemes during the said period ;

(d) the number of weavers benefited and number of handloom units modernised under these schemes till date, State-wise;

(e) the details of views submitted by the State Governments for improvement in those schemes and the reaction of the Government thereto; and

(f) the impact of these schemes in respect of overcoming the competition from the powerloom sector and meeting the international competition?

## Answer

THE MINISTER OF TEXTILES ( SHRI KASHIRAM RANA)

(a) to (f) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (f) OF LOK SABHA STARRED QUESTION NO. 448 RAISED BY SHRIMATI SANGEETA KUMARI SINGH DEO AND SHRI NAWAL KISHORE RAI TO BE ANSWERED ON 23.8.2001, REGARDING HANDLOOM DEVELOPMENT SCHEME

(a) The Government of India has been implementing the following schemes for the development and welfare of weavers in the handloom sector:

(i) DEVELOPMENT OF EXPORTABLE PRODUCTS AND THEIR MARKETING SCHEME:

This scheme was introduced during the year 1996-97. The scheme aims at giving substantial impetus to the export of handloom fabrics, made-ups and other handloom items from the country. Under the scheme, assistance is provided for infrastructure development including engagement of designers for development of designs to suit the international market thereby enhancing the export of handloom apparels from the country. The allocation under the scheme was Rs.400.00 lakh during the year 2000-01 and Rs.500.00 lakh during the current financial year.

(ii) MILL GATE PRICE SCHEME &SETTING UP OF NATIONAL HANDLOOM MARKETING COMPLEXES.

This scheme was introduced during the year 1992-93 in order to ensure adequate supply of all types of yarn to the weavers required for production of handloom items at prices prevailing at the Mill Gate, through the National Handloom Development Corporation.

A scheme for setting up of National Handloom Marketing Complexes was introduced during the year 1985-86.To resolve the problems of the weavers to find suitable place for marketing of their products under one roof, the Government has set up marketing complexes throughout the country through National Handloom Development Corporation Ltd., Lucknow. These complexes enable greater market exposure to the handloom products from all States and therefore help the weavers in getting better sales and higher earnings. There was a combined budget provision of Rs.1100.00 lakh for both the schemes for the year 2000-01 and for the current financial year, 2001-02, there is a budget provision of Rs.700.00 lakh.

(iii) MARKETING THROUGH NATIONAL HANDLOOM EXPOS, DISTRICT LEVEL EVENTS, FAIRS, MELAS ETC.

In order to popularise the handloom products and promote their marketing within and outside the country, the Government of India in the year 1977-78 introduced a scheme of holding of National Handloom Expos and other publicity programmes.These events are organised to enable the Handloom weavers to learn market trends, design development, and the taste of the customer and to market their products. There was a budget provision of Rs.550.00 lakh for the year 2000-01 and there is a budget provision of Rs.545.00 lakh for the current financial year.

(iv) DECENTRALISED TRAINING OF WEAVERS:

This scheme was introduced in the year 1986-87. The objective of the scheme is to bring about skill up-gradation of the skilled and semi-skilled category of handloom weavers for enhancing their earning capability by providing them training in design development and dyeing techniques, simultaneously ensuring development of marketable products. There was a budget allocation of Rs.155.00 lakh for the year 2000-01 and Rs.150.00 lakh has been allocated for the year 2001-02.

Apart from the above schemes which are aimed at improving the quality of life and sustainable livelihood of the weavers through improvements in the means of production, the Government of India has also been implementing the following schemes exclusively for the personal welfare of the weavers.

(i) WORKSHED-CUM-HOUSING SCHEME:-

This Scheme was introduced in 1985-86 with the objective of providing a dwelling unit and suitable work place for weavers so as to improve their productivity, quality of life and earnings. The assistance under the Scheme is now Rs.7000/- for Rural Worksheet, Rs.10, 000/- for Urban Worksheds, Rs.18,000/- for Rural Workshed-cum-Houses and Rs.20, 000/- for Urban-Workshed-cum-Houses.The budget allocation for the year 2000-01 was Rs.1500.00 lakh and for the current financial year, the budget provision is Rs.1400.00 lakh under the scheme.

(ii) THRIFT FUND SCHEME:

This scheme was introduced in 1985-86, and it envisages creation of a type of provident fund with contribution from the weavers, to enable them to meet personal expenses. The weavers contribute 8% of the wages and the Central and State Governments contribute 4% each. The budget allocation for the year 2000-01 was Rs.300.00 lakh and during the current financial year, there is a budget provision of Rs.300.00 lakh under the scheme.

(iii) HEALTH PACKAGE SCHEME:

This scheme was introduced in 1992-93. The scheme extends financial assistance to weavers for the treatment of diseases like asthma, TB, inflammation of the respiratory system, cost of testing of eyes and spectacles, supply of drinking water, maternity benefits to women weavers, payment of additional compensation for adopting permanent family planning measures and infrastructure for primary health care; on a reimbursement basis. The budget allocation for the year 2000-01 was Rs.300.00 lakh and during the current financial year, there is a budget provision of Rs.250.00 lakh under the scheme.

(iv) GROUP INSURANCE SCHEME:

This Scheme was introduced in the year 1992-93 in order to meet the socio-economic obligations of the weaver towards his family and to provide security against the uncertainty of his working capacity in old age. Under the scheme, a weaver is provided an insurance coverage of Rs. 10,000/- for an annual premium of Rs. 120/-. The premium is shared equally among the beneficiary, State and Central Governments. The budget provision during the year 2000-01 was Rs.300.00 lakh and during the current financial year, there is budget provision of Rs.150.00 lakh under the scheme.

(v) NEW INSURANCE SCHEME FOR HANDLOOM WEAVERS.

This Scheme was introduced in the year 1997-98. The scheme provides coverage for various types of risk at a premium of Rs. 120/- per annum with contributions of Rs. 20/- by the weaver, Rs. 40/- by State Government and Rs. 60/- per annum by the Government of India. The budget provision during the year 2000-01 was Rs.25.00 lakhs.For the current financial year also, there is a budget provision of Rs.25.00 lakhs under the scheme.

(vi) DEENDAYAL HATHKARGHA PROTSAHAN YOJANA.

With a view to improving the infrastructure facility for product diversification and quality upgradation as well as supporting the efforts of marketing, design, consultancy etc., a comprehensive scheme called Deendayal Hathkargha Protsahan Yojana has been introduced by the Government of India w.e.f. 1.4.2000. The scheme envisages product development, infrastructural support, institutional support, training to the weavers, supply of equipments and marketing support etc. both at macro and micro level in an integrated and co-ordinated manner for an overall development of the handloom sector and the weaver. The budget allocation under the scheme was Rs.4000.00 lakh for the year 2000-01 and during the current financial year there is a budget provision of Rs.7700.00 lakh under the scheme.

(vii) NATIONAL CENTRE FOR TEXTILE DESIGN:

In order to promote traditional and contemporary designs so as to be responsive to the rapidly changing market demand, thereby providing adequate growth opportunity to the textile industry and in particular to the handloom sector, National Centre for Textile Designs has been set up during the year 2000-01, which provides on-line access to designs developed by the various Weavers Service Centres on payment basis. There is a budget allocation of Rs.75.00 lakh during the current financial year 2001-02.

(b)to(d) A statement showing the number of proposals received from State/UT Governments funds sanctioned/released by the Government of India, beneficiaries covered and funds utilized by them is at Annexure-I.Development of Exportable Products and their Marketing Scheme; and Project Package Scheme (which was in operation up to 1999-2000) have a component of modernisation of looms. Number of projects sanctioned to various State and UT Governments under these schemes is placed at Annexure-II.

(e) The State Governments, based on their experiences at the field level, have from time to time made suggestions for improvement in the implementation of these schemes. The suggestions made by various State Governments covering welfare and developmental schemes are as follows:

i) enhancement of Central assistance under the Workshed-cum-Housing Scheme;

ii) allowing partial withdrawal after 5 to 7 years and final withdrawal after 10 to 12 years under the Thrift Fund Scheme and also deposits under the scheme to be kept in a fixed deposit rather than savings account;

iii) the amalgamation of the Group Insurance Scheme and the New Insurance Scheme and to provide higher benefit in cases of natural death of the weaver;

iv) review of the scale of assistance under the marketing incentive component of Deendayal Hathkargha Protsahan Yojana; and

v) revision in the funding pattern of the Deendayal Hathkargha Protsahan Yojana especially in view of the financial crunch at the State level.

These suggestions have been examined and on that basis, several modifications have been suggested for the Xth Plan.

(f) The Government of India has been implementing the various schemes stated above, for the overall welfare and integrated development of weavers in the handloom sector. The success of these schemes can be gauged from the fact that the budget has been substantial over the years and weavers all over the country are covered. Many of these schemes have been running uninterruptedly since their inception and some of them are being implemented for over 15 years. These schemes have been crucial in giving vital infrastructural support like provision of margin money and credit, raw material etc., forward and backward linkages, marketing assistance, steady employment, social security and better working conditions which have strengthened the sector to enable it to meet the competition from the power-loom sector and internationally.

ANNEXURE-I

ANNEXURE TO THE STATEMENT REFERRED TO IN PARTS (b) to (d) OF REPLY TO LOK SABHA STARRED QUESTION NO.448 DUE FOR ANSWER ON 23.8.2001.

Statement showing the number of proposals received, amount sanctioned/ released by Government of India, beneficiaries covered and funds utilised by State Governments under various Schemes

(Rs. in lakhs)

| S.No. | State | Schemes | No. of Proposals Received 2000-01 | | | | No. of Proposals Received 2001-02 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Amount sanctioned | Amount Released | No. of bene-ficiaries covered | Funds Utilised as per UCs received by GOI | Amount Sanctioned | Amount Released | No. of bene-ficiaries covered | Funds Utilised as per UCs received by GOI |
| 1. | Andhra Pradesh | Workshed-cum-Housing Scheme | 2 | 239.18 | 119.59 1,490 | N.A. | - | - - - - | | |
| | | Group Insurance Scheme | 1 | 24.00 | 24.00 60,000 | N.A. | - | - - - - | | |
| | | Health Package Scheme | 1 | | | | | | | |
| | | | IInd instt. | 96.25 | 26,000 | 96.25 | - | - - - - | | |
| | | Dev. of Exportable Products & their Marketing Scheme (DEPM) | 1 | 10.00 | 5.00 100 | N.A | 2 | 12.00 | 6.00 200 | - |
| 2. | Arunachal Pradesh | Workshed-cum-Housing Scheme | 2 | 180.00 | 129.23 900 | 61.00 | 1 | - | - - - | |
| | | Health Package Scheme | 1 | IInd instt. | 50.35 11,600 | N.A. | - | - - - - | | |
| 3. | Assam | Workshed-cum-Housing Scheme | 2 | - | - - - | - | - | - - - - | | |
| | | Health Package Scheme | 1 | 55.85 + IInd instt. | | 112.25 30,345 | N.A. | - | - - - - | |
| | | DEPM | 2 | IInd instt. | 12.85 210 | N.A. | - | - - - - | | |
| | | Deendayal Hathkargha Protsahan Yojana (DDHPY) | 64 | 557.24 | 424.10 4,400 | N.A. | - | - - - - | | |
| 4. | Bihar | New Insurance Scheme | 1 | 0.36 | 0.36 608 | N.A. | - | - - - - | | |
| 5. | Chhatisgarh | Health Package Scheme | 1 | 3.20 | 1.60 4,225 | N.A. | 1 | - | - - - | |
| | | DEPM | 1 | 8.50 | 4.25 50 | N.A. | 1 | IInd instt. | 8.75 | 100 8.75 |
| 6. | Delhi | DEPM | 1 | IInd instt. | 5.00 14 | N.A. | - | - - - - | | |
| 7 | Gujarat | Workshed-cum-Housing Scheme | 1 | 460.00 | 230.00 2,500 | N.A. | - | - - - - | | |
| | | Group Insurance Scheme | 1 | 1.57 | 1.57 3,917 | N.A. | - | - - - - | | |
| | | New Insurance Scheme | 1 | 2.73 | 2.73 4,557 | N.A. | - | - - - - | | |
| | | Health Package Scheme | 1 | 55.11 | 55.11 7,698 | N.A. | - | - - - - | | |
| | | DDHPY | 425.00 | 212.50 | 2,500 | N.A. | - | - - - - | | |
| 8.. | Haryana | DEPM | 1 | 15.50 | 15.50 30 | 7.50 | 1 | 8.50 | 4.25 30 | N.A. |
| 9. | Himachal Pradesh | DEPM | 6 | 17.00 | 49.71 1,254 | N.A. | 2 (1+ IInd intt.) | 8.50 | 11.75 500 | N.A. |
| | | DDHPY | 37 | 13.87 | 6.89 250 | N.A. | 3 | 9.83 | 4.91 100 | N.A. |
| 10. | Jammu & Kashmir | Thrift Fund Scheme | 1 | 0.79 | 0.79 314 | N.A. | - | - - - - | | |
| | | New Insurance Scheme | - | - | - - - | - | 1 | 0.33 | 0.33 551 | N.A. |
| | | DDHPY | 7 | 57.32 | 44.54 600 | N.A. | - | - - - - | | |
| 11. | Karnataka | Workshed-cum-Housing Scheme | 3 | IInd instt. | 57.07 750 | N.A. | 2 | IInd instt. | 113.10 | 2,100 - |
| | | Thrift Fund Scheme | 1 | 30.00 | 30.00 9,004 | N.A. | - | - - - - | | |
| | | DDHPY | 1 | - | - - - | 125.47 | 125.47 | - - | | |
| 12. | Kerala | Health Package Scheme | 1 | IInd instt. | 37.22 3,000 | N.A. | | | | |
| | | DEPM | 1 | IInd instt. | 8.89 100 | N.A. | - | - - - - | | |
| 13. | Madhya Pradesh | Group Insurance Scheme | 2 | 1.13 | 1.13 1,587 | N.A. | 1 | 0.04 | 0.04 116 | N.A. |
| | | Thrift Fund Scheme | 1 | 1.03 | 1.03 304 | N.A. | 1 | 3.72 | 3.72 1,648 | N.A. |
| | | New Insurance Scheme | 2 | 0.74 | 0.74 1,226 | N.A. | 2 | 0.71 | 0.71 1,181 | N.A. |
| | | DDHPY | 6 | 37.77 | 32.71 185 | N.A. | 1 | 3.28 | 3.28 - | - |
| 14. | Maharashtra | Workshed-cum-Housing | 1 | IInd instt. | 8.42 184 | N.A. | - | - - - - | | |
| | | Thrift Fund Scheme | 1 | 4.78 | 4.78 21,230 | 4.78 | - | - - - - | | |
| 15. | Manipur | Workshed-cum-Housing | 1 | 316.00 | 188.75 3,100 | N.A. | - | - - - - | | |
| | | Health Package Scheme | 1 | 19.66+IInd instalment | | 32.53 5,611 | N.A. | - | - - - - | |
| | | DDHPY | 77 | 288.01 | 143.51 3,662 | N.A. | - | - - - - | | |
| 16. | Meghalaya | Workshed-cum-Housing | 2 | 41.51 | 20.76 318 | N.A. | - | - - - - | | |
| | | Health Package Scheme | 1 | 4.67 | 2.34 714 | N.A. | - | - - - - | | |
| | | DDHPY | 1 | 12.00 | 6.00 100 | N.A. | - | - - - - | | |
| 17. | Mizoram | Workshed-cum-Housing | 1 | 20.50 | 10.25 250 | N.A. | - | - - - - | | |
| 18. | Nagaland | Workshed-cum-Housing | 2 | 115.92 + IInd instt. | | 136.96 6,811 | N.A. | - | - - - - | |
| | | Health Package Scheme | 1 | 149.54 | 74.77 16,358 | N.A. | - | - - - - | | |
| | | DEPM | 2 | 16.50 | 12.25 450 | 4.00 | - | - - - - | | |
| | | DDHPY | 10 | 66.20 | 33.10 1,000 | N.A. | - | - - - - | | |
| 19. | Orissa | Workshed-cum-Housing | 2 | 90.00 | 45.00 1,000 | N.A. | - | - - - - | | |
| | | New Insurance Scheme | 1 | 18.00 | 18.00 30,000 | N.A. | - | - - - - | | |
| 20. | Punjab | DEPM | 1 | 8.50 | 4.25 150 | N.A. | 2 | | | |
| | | | (1+ II instt.) | 8.50 | 10.25 | 200 | 8.05 | 10.25 | 200 | 8.05 |
| 21 | Rajasthan | New Insurance Scheme | 1 | 2.56 | 2.56 4,270 | N.A. | - | - - - - | | |
| 22. | Tamilnadu | Workshed-cum-Housing | 4 | 243.00 | 181.46 3,252 | 174.09 | - | - - - - | | |
| | | Group Insurance Scheme | 1 | 36.75 | 36.75 91,876 | 36.75 | - | - - - - | | |
| | | Thrift Fund Scheme | 1 | 262.16 | 262.16 91,684 | N.A. | - | - - - - | | |
| | | Health Package Scheme | 1 | 53.44 | 37.99 5,556 | 33.99 | - | - - - - | | |
| | | DEPM | 1 | 10.50 | 5.25 450 | - | - | - - - | | |
| | | DDHPY | 1 | 677.06 | 677.06 ? | N.A. | ? | 1158.72 | 1158.72 ? | N.A. |
| 23 | Tripura | Workshed-cum-Housing | 1 | IInd instt. | 14.05 330 | N.A. | - | - - - - | | |
| | | Thrift Fund Scheme | 1 | 0.29 | 0.29 50 | 0.29 | - | - - - - | | |
| | | Health Package Scheme | 1 | IInd instt. | 29.83 7,550 (IInd instt.) | | N.A. | - | - - - - | |
| | | New Insurance Scheme | 1 | 0.60 | 0.60 1,005 | N.A. | - | - - - - | | |
| | | DDHPY | 19 | 62.36 | 33.14 1,015 | N.A. | - | - - - - | | |
| 24. | Uttar Pradesh | DEPM | 2 | 17.50 | 14.25 550 | N.A. | - | - - - - | | |
| | | DDHPY | 123 | 111.35 | 54.15 2,075 | N.A. | - | - - - - | | |
| 25 | West Bengal | Workshed-cum-Housing | 2 | 524.40 | 358.45 4,146 + II instt. | | N.A. | - | - - - - | |
| | | Group Insurance Scheme | 1 | 2.47 | 2.47 7,620 | 2.47 | - | - - - - | | |
| | | Health Package Scheme | 1 | 14.70 | 7.35 375 | 5.86 | - | - - - - | | |
| | | DEPM | 3 | 33.33 | 16.25 336 | - | - | - - - - | | |
| | | DDHPY | 12 | 56.42 | 28.15 890 | N.A. | - | - - - - | | |

Project sanctioned as a special case for rehabilitation of Earth-quake victims.

Not available

This is to indicate cases where sanctions have been made in the previous years but second instalment has been released only in 2000-01 or 2001-02.

ANNEXURE-II

Annexure to the statement referred to in Parts (b) to (d) of reply to LOK SABHA starred Question no. 448 due for answer on 23.8.2001.

| Sl.No. | State | Projects sanctioned under Development of Exportable Products and their Marketing Scheme | Projects sanctioned under Project Package Scheme |
|---|---|---|---|
| | Andhra Pradesh | 6 | 540 |
| | Arunachal Pradesh | - | 18 |
| | Assam | 3 | 360 |
| | Bihar | - | 21 |
| | Chhatisgarh | 1 | - |
| | Delhi | 2 | - |
| | Gujarat | 1 | 23 |
| | Haryana | 3 | 8 |
| | Himachal Pradesh | 11 | 40 |
| | Jammu & Kashmir | 4 | 31 |
| | Karanataka | - | 58 |
| | Kerala | 2 | 215 |
| | Madhya Pradesh | 5 | 134 |
| | Maharashtra | - | 60 |
| | Manipur | - | 50 |
| | Mizoram | 1 | 1 |
| | Nagaland | 2 | 184 |
| | Orissa | 1 | 70 |
| | Punjab | 4 | 6 |
| | Rajasthan | - | 50 |
| | Tamilnadu | 5 | 399 |
| | Tripura | 2 | 20 |
| | Uttar Pradesh | 9 | 428 |
| | West Bengal | 10 | 74 |